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*Direct and Indirect Costs of the Great World War.* By Ernest L. Bogart, Professor of Economics, University of Illinois. Carnegie Endowment for International Peace, Preliminary Economic Studies of the War, No. 24. New York, Oxford University Press, 1919. Pp. ix, 338.

The direct costs of war are the actual expenditures made by the belligerent nations in the conduct of the war. The author's task was to determine the cost for all the nations engaged in the World War. He has in fact done much more than this. Besides a statement of war expenditures, the book gives an account of the financial operations of the war—taxation, borrowing, banking, etc. This account is clear, detailed, and fairly complete for the leading nations, such as the United States, Great Britain, France, and Germany. In some of the other cases the record is brief and rather fragmentary. For this account students of war finance will welcome the book. It presents in clear and convenient form the facts of the subject which were obtainable during and immediately after the war. The author has not waited for all the original and official materials, nor has he undertaken to go far in analyzing the facts and drawing conclusions; but he has vastly lightened the task of any one who may wish to probe deeper into the economics of modern war finance, and he has put before us promptly the important facts as to the cost of the war and how it was met.

The net cost of the war to all the active belligerents appears to have been in the neighborhood of 186 billion dollars. The author mentions, but takes no further account of, the fact that the world's monetary units have all depreciated, and at different rates, during the struggle. As a matter of fact, the costs in different years and in different countries are measured by a changing unit. The dollar of 1918 is not the same as the dollar of 1914; and if the mark was worth twenty-five cents in 1914, it was not worth that in 1918. There is a certain mathematical fallacy in assuming to reduce to a common unit and combining in a single total quantities so diverse. However, the correction would have involved great difficulties, the margin of error would have been large, and the result would probably, for practical purposes, have been no more useful. Obviously, only the broadest and most general conclusions are intended to be drawn from such an aggregate as this.

Among the "indirect costs" of the war are included loss of human life, loss of property, loss of merchant shipping, war relief contributions, and the cost to neutral nations. This part of the book is less satisfactory than that which deals with direct costs. It is scarcely more than a hasty collection of various estimates and conjectures, without criticism or analysis. This is really all the author claims for it in his preface, when he characterizes the estimate of the indirect costs of the war as "merely the best guess which is possible at the present time." In particular, the attempt to reduce all the indirect costs to a total expressed in dollars (the figure is 152 billions) seems hardly worth the effort. Nevertheless, this part of the book is interesting and impressive, and it adds much to the cumulative picture of the gigantic, the unbelievable costs of modern warfare. This was the real object of the book, and the reader, though he peruse only the last three chapters, cannot fail to get the conclusion and be profoundly impressed thereby.